



**NEWMARKET JAC
PRESENTATION**
NOVEMBER 18, 2014

WORKING DEFINITION OF A QUALITY EDUCATIONAL SYSTEM

A system that provides students with the essential knowledge and skills necessary to function positively and productively in a democratic society and to meet the challenges of an ever-changing world. This includes helping students obtain skills in critical thinking and reasoning, communication and social interaction, and problem solving in order to achieve their individual potential and to become lifelong learners.



PROGRAMS AND INPUTS

- **Course offerings**
 - **Graduation requirements**
 - **Pupil teacher ratios**
 - **Faculty salaries**
 - **Per Pupil Costs**
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COMPARISON OF COURSE OFFERINGS

NEWMARKET DOVER EPPING

Program of Studies: Program of Studies: Program of Studies:

93 courses 180 courses 91 courses

5 AP courses 10 AP courses 6 AP courses

VLACS (online): VLACS (online) VLACS (online)

84 courses 84 courses 84 courses

SST* Dover CTE* SST*

30 courses 70 courses 30 courses

Virtual HS (online):

184 courses

There may be some confusion between “programs” and “courses” in these centers.

GRADUATION REQUIREMENTS

NEWMARKET

28.5 credits

English 4.5

Math 4

Science 3

Social Studies 3

Electives 11

Others 3

DOVER

26 credits

English 4

Math 4

Science 3

Social Studies 2.5

Electives 9.5

Others 3

EPPING

22.5 credits

English 4

Math 3

Science 3

Social Studies 3

Electives 7

Others 2.5

Distinction Diploma Honors Diploma

28 credits 25 credits

STUDENT-TEACHER RATIO--- 2012-13

State	12.1
Dover	14.9
Epping	11.1
Exeter	13.9
Newmarket	10.8
Oyster River	11.9
Barrington	12.3
Nottingham	12.4



AVERAGE TEACHER SALARY--- 2013-14

	Ave. Salary
State	\$54,712
Dover	49,374
Epping	49,310
Exeter	67,990
Newmarket	44,399
Oyster River	64,866
Barrington	43,500
Nottingham	52,676
Range in New Hampshire	\$30,550 to \$74,326

NEWMARKET'S POLICY DECISION: MORE TEACHERS, LOWER SALARIES (CONSCIOUS DECISION?)

- (1) If you divide student enrollment in Newmarket by the Newmarket student/teacher ratio, you have 88 teachers**
 - (2) If you divide student enrollment in Newmarket by the state average student/teacher ratio, you would have 78 teachers**
 - (3) State reports show that in grades 1-5, Newmarket's class size is just over the state average**
 - (4) Our conclusion is that the additional teachers are clustered at the Jr/Sr high school. This is critical for the discussion on tuition, and for facilities as well, as we shall see.**
 - (5) The point is NOT that Newmarket has too many teachers. Smaller schools have lower student/teacher ratios, particularly in high schools, and Newmarket also has very high graduation requirements. The point is that the current Newmarket high school staff can absorb an increase in students, which is very important.**
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COST PER PUPIL- 2012-13

	Elementary	Middle	High	Total	
State	\$13,627	\$12,991	\$13,489	\$13,459	
Dover	9,806	9,378	11,641	10,321	
Epping	13,551	14,314	14,701	14,046	
Exeter	11,980	12,405	12,224		
Newmarket	14,079		17,547	14,948	
Oyster River	17,079	15,831	16,756	16,553	
Barrington	13,266	11,540	12,375		
Nottingham	12,124	12,124			

NOTE: There are 14 districts in NH with high schools of under 300 students. Weighted Ave. Cost p/p for those high schools is \$17,561. Size of the schools ranges from 126 to 275.

DOES NOT INCLUDE PITTSBURG, WITH A HIGH SCHOOL POPULATION OF 38, AND A P/P COST OF \$25,245.

EQUALIZED VALUATION AND EQUALIZED SCHOOL TAX RATES- 2012-13

	Eq. Val.	Eq. Tax Rate
State (median)	\$783,141	\$15.08
Dover	747,109	12.13
Epping	610,312	18.68
Exeter	739,242	15.73
Newmarket	720,629	17.64
Oyster River	804,544	19.37
Barrington	618,111	16.52
Nottingham	757,588	16.67

LOOKING AT OUTPUTS

NECAP Assessment results:

Cut Scores

Percentages of Proficient +

Mean scaled scores

Dropout Rates



NECAP---- CUT SCORES FOR PERFORMANCE LEVELS--- FALL 2013

	READING	Math	
Substantially Below Proficient		01-29	01-33
Partially Proficient	30-39	34-39	
Proficient	40-53	40-51	
Proficient with Distinction		54-80	52-80

NECAP RESULTS FOR SELECTED DISTRICTS--- GRADE 11-FALL 2013- PROFICIENT AND ABOVE

	% Prof+	% Prof +	% Prof +
School	Reading	Math	Writing
STATE	77%	36%	54%
Dover	72%	30%	51%
Epping	85%	38%	64%
Exeter	89%	55%	68%
Newmarket	88%	45%	76%
Oyster River	77%	57%	61%

NECAP RESULTS FOR SELECTED DISTRICTS--- FALL 2013 MEAN SCALED SCORES- GRADE 11

Reading	Math	Writing	
School MSS*	MSS*	MSS*	
State 1148	1136	6.8	
Dover 1147	1135	6.8	
Epping1151	1137	7.2	
Exeter 1154	1140	7.4	
Newmarket	1153	1139	7.7
Oyster River	1148	1139	6.9

***MSS= Mean Scaled Score “11” is simply grade level. Last two digits are the actual scaled score**

DROPOUT RATES- 2012-13

	Annual	4 year cumulative
State	1.29%	5.06%
Dover	0.58	2.30
Epping	0.00	0.00
Exeter	0.34	1.35
Newmarket	0.00	0.00
Oyster River	0.00	0.00

ESTIMATED TUITION COSTS---

NEWMARKET HIGH SCHOOL

STUDENTS--- 2014-15

USING THE BARRINGTON CONTRACT FOR DOVER

Per pupil tuition cost---	\$12,013* X 244 students	\$2,931,172
Administrative fee of 8%	\$961 X 244 students	<u>234,493</u>
Total Tuition	3,165,665	

Additional costs Busing
1/1 paraprofessionals

Between 2003-4 and 2012-13, high school per pupil costs increased by an average of 5.2%. However over the last two of those years, the increase moderated to 3.2%. We have applied a 3.2% increase to Dover's per pupil cost as an estimate 2013-14, the basis for the contract. We applied the same to the Sanborn/Fremont scenario.

ESTIMATED TUITION COSTS--- NEWMARKET HIGH SCHOOL STUDENTS--- 2014-15

USING THE FREMONT CONTRACT WITH SANBORN

Per pupil tuition costs--- \$14,025 x 244 students \$3,422,322

**Additional ½ SPED Tuition \$7,012.5 X 48 students
336,600**

Total tuition 3,758,922

Busing



ESTIMATED TUITION COSTS--- NEWMARKET HIGH SCHOOL STUDENTS--- 2014-15

USING BARRINGTON CONTRACT WITH OYSTER RIVER

Per pupil tuition costs \$13,000 x 244 students
\$3,172,000

Additional \$7,000 per special education x 48 students
336,000

Total tuition \$3,508,000

Busing 160,000

Grand Total \$3,668,000

SO, WHAT'S THE TIPPING POINT FOR TUITION?

- (1) The current high school budget is \$3,821,567, and the current junior high budget is \$2,586,051. While we are working with Christine Blouin to hone the figures for the situation where high school students would be tuitioned elsewhere, and the cost for a stand alone junior high would be a bit higher, the high school budget number will be useful for comparison purposes.**
 - (2) Given the current staffing in the high school, it is probable that no additional staff would be required for up to 300 or so high school students.**
 - (3) Tuition costs, however, are based on actual numbers of students. The base tuition cost for 300 students would be \$3,892,212 in the Barrington/Dover scenario; \$4,313,000 in the Barrington/Oyster River scenario; and \$4,620,875 in the Sanborn/Fremont scenario. Not including busing.**
 - (4) Looking at enrollment projections is critical. IF the high school population declines further, then the tuition option becomes more financially attractive, and IF high school populations begin to increase, it becomes less financially attractive.**
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THEN... WHAT ARE ENROLLMENT PROJECTIONS?

- (1) Enrollments declined over the past several years, reaching a low in 2013-14 of 978 overall, (grades 1-12) and 238 in the high school. This year saw a slight rebound in total enrollment to 1,011 (3.3%), and high school enrollment to 244.**
 - (2) Current enrollment numbers throughout the district point to a high school enrollment of 250-275 for a number of years, and then an increase to over 300, returning to levels in the early 2000's. The current enrollment of Grades 1-4 is 372, and even accounting for some drop off as students enter the high school, the overall enrollment points to a moderate increase in high school students over the next 5-10 years, even if elementary enrollment does not increase over that time.**
 - (3) It is doubtful that high school enrollments will exceed 350 for any foreseeable future. Total jr/sr enrollments should not exceed 550 for years to come.**
 - (4) These projections are equally critical in examining building options, as we shall see.**
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LET'S LOOK AT FACILITIES

- (1) Few people question the need to improve the facilities**
- (2) NEASC* Accreditation Report cites “the failure of the school site and facilities to sufficiently support the delivery of the curriculum” as one of its major findings**
- (3) Fire and life safety issues in the jr/sr high school have been addressed**
- (4) A comprehensive plan for K-12 facilities has been suggested**
- (5) The size and cost of various facilities options have been the subject of intense debate**
- (6) Affordability and sustainability have been raised as major concerns**

*** NEASC (New England Association of Schools and Colleges)**



THREE FACTORS TO EXAMINE WITH FACILITIES

(1) Quality

(2) Size

(3) Cost

Two of these factors can be determined, but whatever two are chosen will dictate the third.

For Newmarket the questions seem to be: What size facility do we need; What cost can be borne by the community; and Will the resulting quality of the facility provide the educational program our students need?

SO, LET'S LOOK AT SIZE AND COST

If we use 550 students as the target number, then we can apply state standards to that number

State standards call for a utilization factor of 85%, and a square foot per student allowance of 160.

If we apply those standards, then the equation would be $550/.85 \times 160$ and the resulting size of the building would be 103,529 square feet.

Applying a square foot cost for new construction is not easy to compute. The last State Allowable Cost was \$195/square foot in 2010. We are now using \$235/square foot for illustrative purposes. This is an estimate, but a reasonable one.

The cost for such a new facility then, would be \$24,329,315.

At \$195/square foot (a number used in Pennsylvania), the cost would be \$20,188,155.

RENOVATE OR BUILD NEW?

The current facility has approximately 84,000 square feet, so renovations would need to include an addition of approximately 20,000 square feet, to meet the established standard. An addition would cost between \$3.9 million and \$4.7 million, depending on the square foot cost applied.

USUALLY, the cost of renovation is less than the cost of new facilities, but it is more complicated in this case. The current facility is a conglomeration of four buildings constructed over the years 1925 to 1987. This makes it more difficult to bring the buildings together in a coherent whole, and a new addition would be a fifth building.

The primary issue appears to be bringing the buildings up to new seismic codes, at a very high projected cost. Earlier architectural firms have concluded that it would cost as much to renovate as it would cost to build new. We are seeking a second opinion on that conclusion.

WHAT IS THE IMPACT OF A BOND ISSUE ON THE TAX RATE?

The current valuation of property in Newmarket is \$711,970,612. This means that every \$711,970 in expenses costs \$1 on the tax rate.

The current total school tax rate is \$18.43, and the total tax rate for Newmarket is \$25.75.

In the first full year of a traditional bond, at 30 years and 4% interest, the cost for each 1 million dollars is \$73,333. Thus, a \$10.5 million bond would add \$1 to the tax rate. At 3% interest, a \$12.5 million bond would add \$1 to the tax rate.

The impact of a traditional bond would decline, as the interest cost would be reduced, in each year after the first full year.

Bond issue scenarios will be discussed in more detail at the next meeting.



WRAPPING IT UP FOR TONIGHT

- (1) By the next meeting, we will have projections of enrollments, tuition costs, and operational costs for the next ten years. Tuition projections will be based on the three contracts we have now, understanding that a final contract would have to be negotiated if this option is selected.**
- (2) We will have good numbers for new construction, understanding that it will require architects and construction companies to come to complete numbers. However, we anticipate that the parameters we provide will serve the community well when it comes to working with architects.**
- (3) We will have a better handle on the issues involved with renovations. The School Board has authorized the hiring of a structural engineer, and we will be meeting with him in the very near future. We will also have a firmer handle on what is required to meet seismic codes in older buildings.**